

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554

In the Matter of	)	
	)	
High-Cost Universal Service Support	)	WC Docket No. 05-337
	)	
Federal-State Joint Board on Universal	)	CC Docket No. 96-45
Service	)	
	)	
Request for Review of Decision of	)	
Universal Service Administrator by Corr	)	
Wireless Communications, LLC	)	

**REPLY COMMENTS OF  
QWEST COMMUNICATIONS INTERNATIONAL INC.**

Qwest Communications International Inc. (Qwest), submits these reply comments in accord with the Federal Communications Commission's (Commission) Order and Notice of Proposed Rulemaking in the above-referenced dockets.<sup>1</sup> Qwest supports the Commission's proposal to reclaim competitive eligible telecommunications carrier (CETC) high-cost support when a CETC relinquishes its ETC status. Qwest also supports using the reclaimed support to fund deployment of broadband services to unserved areas. But, Qwest opposes the Commission's proposal to permanently amend Rule 54.709(b) to enable the Commission to reserve reclaimed high-cost support for future, unestablished universal service programs. Instead, the Commission should implement a specific program to target universal service support to wire centers or sub-wire center areas without broadband service and direct the reclaimed

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<sup>1</sup> *In the Matter of High-Cost Universal Service Support; Federal-State Joint board on Universal Service; Request for Review of Decision of Universal Service Administrator by Corr Wireless Communications, LLC*, WC Docket No. 05-337, CC Docket No. 96-45, Order and Notice of Proposed Rulemaking, FCC 10-155 (rel. Sept. 3, 2010), Erratum (rel. Sept. 7, 2010), Second Erratum (rel. Sept. 14, 2010), Public Notice, DA 10-1790 (rel. Sept. 21, 2010); 75 Fed. Reg. 56494 (Sept. 16, 2010).

support to that program. Until there is a specific universal service program supporting broadband services in high-cost areas to which the reclaimed funds can be directed, the Commission should continue to apply Rule 54.709(b).<sup>2</sup>

***The Commission should reclaim relinquished CETC high-cost support.*** Qwest agrees with the Commission's proposal to reclaim high-cost support of a CETC relinquishing its ETC status in lieu of redistributing that support to other CETCs in the state. High-cost support to *any* CETC goes beyond the fundamental purpose of universal service of enabling universal access to supported services. High-cost support to *multiple* CETCs serving the same area goes *well* beyond that fundamental purpose. As the Ohio PUC noted in its comments, "[H]igh-cost support should not be provided to multiple carriers in those areas where a business case cannot be made for providing service without a subsidy."<sup>3</sup> The Commission should reclaim and repurpose relinquished CETC high-cost support. Specifically, the Commission should repurpose that support for broadband deployment to unserved areas.

***The Commission should not amend Rule 54.709(b).*** Rule 54.709(b) currently requires USAC to include the excess fund contributions in one quarter to the calculation of the contribution factor in the next quarter. The Commission proposes amending Rule 54.709(b) so that it can alter this requirement without the need for a waiver of the rule. Additionally, the Commission proposes this rule change here to enable it to reserve reclaimed CETC high-cost support for future, as-yet-undetermined alternative universal service support.

A clear majority of commenters expressed concern with the Commission reserving universal service support in this manner. Qwest shares many of the concerns expressed. Qwest agrees with CenturyLink that any reclaimed support should be directed to supporting high-cost

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<sup>2</sup> 47 C.F.R. § 54.709(b).

<sup>3</sup> Comments of the Public Utilities Commission of Ohio, filed herein on Oct. 7, 2010, at 3.

areas and not redirected to other universal service programs.<sup>4</sup> Qwest appreciates the concern of several commenters that the Commission reserving support for unspecified or non-existing programs may be legally problematic.<sup>5</sup> In lieu of reserving reclaimed support in this manner, Qwest agrees that the Commission should press forward with adopting a specific mechanism for supporting broadband deployment to unserved wire centers or sub-wire centers, and apply the reclaimed support to that mechanism.<sup>6</sup>

Until a specific broadband deployment fund is in place to which the reclaimed support can be directed, the Commission should continue to apply Rule 54.709(b) such that reclaimed CETC support may serve to reduce the contribution factor for a period of time. Under this approach the Commission can avoid the legal risks of reserving support indefinitely for unspecified or non-existent universal service programs and the practical risk of overburdening contributors now for uncertain future support programs. The Commission should leave Rule 54.709(b) unchanged in order to help ensure that contributions into the fund remain well-aligned

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<sup>4</sup> Comments of CenturyLink, filed herein on Oct. 7, 2010, at 2-3.

<sup>5</sup> *See, e.g.*, Comments of Verizon and Verizon Wireless, filed herein on Oct. 7, 2010, at 5-6 (noting that reserving universal service funding for non-existent support mechanisms may be inconsistent with Section 254 provisions requiring that universal service policies and contributions be directed at “specific, predictable, and sufficient” mechanisms and may be inconsistent with Constitutional requirements); Comments of the Rural Telecommunications Group, Inc., filed herein on Oct. 7, 2010, at 3-5 (arguing that the Commission’s proposal to reserve funds would violate section 254 provisions and the Origination and Taxing Clauses of the U.S. Constitution).

<sup>6</sup> *E.g.*, Comments of the Independent Telephone & Telecommunications Alliance, filed herein on Oct. 7, 2010, at 3-4; Comments of the United States Telecom Association, filed herein on Oct. 7, 2010, at 5-6.

with support out of the fund and that exceptions are made only after careful consideration and sufficient justification.

Respectfully submitted,

QWEST COMMUNICATIONS  
INTERNATIONAL INC.

By: /s/ Tiffany West Smerk  
Craig J. Brown  
Tiffany West Smerk  
607 14<sup>th</sup> Street, N.W.  
Suite 950  
Washington, D.C. 20005  
303-383-6619  
[craig.brown@qwest.com](mailto:craig.brown@qwest.com)  
[tiffany.smerk@qwest.com](mailto:tiffany.smerk@qwest.com)

Its Attorneys

October 21, 2010

CERTIFICATE OF SERVICE

I, Richard Grozier, do hereby certify that I have caused the foregoing **REPLY**  
**COMMENTS OF QWEST COMMUNICATIONS INTERNATIONAL INC.** to be: 1) filed  
with the FCC via its Electronic Comment Filing System in WC Docket No. 05-337 and CC  
Docket No. 96-45; 2) served via e-mail on Messrs. Charles Tyler and Theodore Burmeister,  
Telecommunications Access Policy Division, Wireline Competition Bureau at  
[Charles.tyler@fcc.gov](mailto:Charles.tyler@fcc.gov) and [Theodore.burmeister@fcc.gov](mailto:Theodore.burmeister@fcc.gov); and 3) served via e-mail on the FCC's  
duplicating contractor, Best Copy and Printing, Inc. at [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com).

/s/Richard Grozier

October 21, 2010